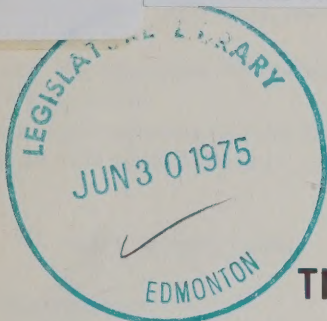


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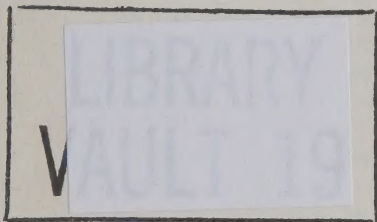
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THE  
ALBERTA PLAN  
FOR  
MILK MARKET  
SHARING



[Alberta  
Dairy Control Board]

THE  
ALBERTA MILK  
CONTROL BOARD

[1971?]

DEPARTMENT  
OF  
AGRICULTURE

[misc. pubs.]



## APPENDIX THE MILK CONTROL ACT

A plan for regulating the marketing locally within Alberta of Milk.

1. These regulations may be cited as the Alberta Plan for Milk Market Sharing.

### INTERPRETATION

2. In this regulation:
  - (1) "Act" means The Milk Control Act;
  - (2) "Alberta Plan" means the Alberta Plan for Milk Market Sharing;
  - (3) "Alberta Reserve" means an amount of unallocated market sharing quota resulting from:
    - (a) unallocated production from producers not holding federal subsidy eligibility quota and shipping under 420 pounds of butterfat during the allotment period,
    - (b) producers going out of business, including those discontinuing dairying between the allotment period and the time when the Alberta Plan is implemented as well as those discontinuing after the plan is implemented,
    - (c) transfers from industrial milk to fluid producers, including those transferring between the allotment period and the time when the Alberta Plan is implemented,
    - (d) producers shipping under 75 per cent of their market sharing quota, and
    - (e) other sources;
  - (4) "allotment period" means the dairy year of April 1, 1970 to March 31, 1971;
  - (5) "annual equivalent" for quota setting purposes, means the poundage resulting from the conversion of any portion of a year's equivalent production using the production experience of all producers in the same category as the criteria;

- (6) "Board" means the Alberta Milk Control Board;
- (7) "catastrophe" includes severe illness or death of the quota holder, sudden death of a significant part of the producing herd, destruction of the production facilities, severe infection of an uncontrollable disease or a disease which requires slaughter by health authorities;
- (8) "Commission" means the Canadian Dairy Commission;
- (9) "comprehensive milk marketing plan" means a plan for regulating the marketing of milk in accordance with an agreement or agreements entered into by federal and provincial authorities;
- (10) "dairy manufacturing plant" means an establishment in which a dairy product is manufactured, processed, reprocessed, packed or repacked;
- (11) "dairy year" means the 12 month period as designated by the Canadian Dairy Commission;
- (12) "Federal Subsidy Eligibility Quota" means the quota in effect on the date when the Alberta Plan comes into effect as allocated by the Canadian Dairy Commission and on which subsidy payments are calculated;
- (13) "fluid producer" means a producer of milk who holds a quota or contract for the marketing of fluid milk whether or not it has been approved by the Board;
- (14) "fluid sales" means all milk settled for at No. 1 price as defined in Milk Control Regulations under The Milk Control Act;
- (15) "fluid quota" means a quota as defined by the Milk Control Regulations under The Milk Control Act;
- (16) "immediate family" means a father, mother, husband, wife, son, daughter, son-in-law or daughter-in-law;
- (17) "industrial milk" means all milk delivered to a processor less that portion which makes up 115% of fluid sales;
- (18) "industrial producers of milk and cream" means producers of milk and

cream other than those designated under clause (13);

- (19) "Market Sharing Quota" means a quota fixed and allocated by the Board to represent a producer's share of the industrial domestic market expressed in pounds of milk or butterfat a year;
- (20) "patron" means a person who brings or supplies milk or cream to a dairy manufacturing plant;
- (21) "processor" means any person who alters the form or composition of milk in any manner from the form and composition it is received from the producer;
- (22) "policy committee" means the policy committee appointed by the Board under section 5;
- (23) "provincial entitlement" means the total of market share quota to which Alberta is entitled and which has been agreed to by the Canadian Dairy Commission;
- (24) "plan" refers to these regulations unless otherwise stated;
- (25) "market sharing quota year" shall be the same period of time as the dairy year;
- (26) "commission quota" means subsidy eligibility quota as issued by the Canadian Dairy Commission;
- (27) "producer" means either a fluid producer, an industrial producer or both.

### **REGISTRATION AND SHIPPING**

- 3. (1) All producers shall be registered with the board.
- (2) All milk or cream shipped or sold by a producer holding a market sharing quota shall be shipped or sold in the name of that producer and not under the name of another producer or persons.
- (3) A producer may request the Board to hold in abeyance the producer's market sharing quota and his participation in the plan for a period up to 12 months if
  - (a) the producer's herd or production from the herd is affected by a catastrophe, or



- (b) for any other reason that the Board considers proper.
- (4) Upon application by the producer the Board may extend the period of time mentioned in subsection (3) that a producer may hold in abeyance his market sharing quota and his participation in the plan.
- (5) Where a producer discontinues production of milk for more than 12 consecutive months, the Board shall transfer to the Alberta Reserve the producer's market sharing quota except as provided in subsections (3) and (4).

### **APPEAL PROCEDURE**

- 4. (1) Where any person considers himself aggrieved by any order, direction or decision of the Board, he may appeal such order, direction or decision to the Board by serving upon the Board a written Notice of Appeal within 30 days of the date he receives notice of the order, direction or decision in question.
- (2) Every notice under subsection (1) shall contain a statement of the matter being appealed, the grounds of appeal, and the name and address of the appellant.
- (3) Upon receipt of a Notice of Appeal the Board shall hear and decide the appeal within thirty days after the Notice of Appeal is received by the Board but the Board may, at the request of any party to the appeal, adjourn the hearing from time to time for such period or periods of time as the Board considers proper.
- (4) The appellant has the right to attend, make representation and to adduce evidence respecting the matter being appealed.
- (5) The Board shall within 15 days after the hearing of the appeal is completed serve upon the appellant the decision of the Board.
- (6) A proceeding that is in substantial compliance with this section is not open to

objection on the ground that it is not in strict compliance therewith.

- (7) Where notice is required to be served under this section it may be serviced
- (a) by personal service, or
  - (b) where the party to be served is the Board, by mailing the notice by registered mail to the Board at its usual business address, or
  - (c) where the party to be served is the appellant by mailing the notice by registered post to the address shown in the Notice of Appeal.

### **POLICY COMMITTEE**

5. The Board shall appoint a policy committee whose function shall be to advise and make recommendations to the Board on matters relating to the objects and functions of the plan and the Board.

6. (1) The membership of the policy committee shall consist of the following:
- (a) one producer representative from the Alberta Milk Producers Association;
  - (b) one producer representative from the Northern Alberta Dairy Pool Ltd.;
  - (c) one producer representative from the Central Alberta Dairy Pool;
  - (d) one cream producer and one industrial milk producer who are not members of the organization mentioned in clauses (a), (b) or (c);
  - (e) two representatives from the dairy processors in Alberta, one to represent the Pool and Co-operative organizations, one to represent the remaining group of processors;
  - (f) one representative from the Alberta Milk Control Board; and
  - (g) one representative from the Alberta Department of Agriculture.
- (2) The representatives mentioned in clauses (f) and (g) are non-voting members and each of the other members of

the policy committee mentioned in subsection (1) are voting members.

- (3) The chairman and secretary of the policy committee shall be selected by the members of the policy committee from among members of the committee.
- (4) Members of the policy committee shall be appointed for a term of two years.
- (5) The policy committee and the Board shall meet together:
  - (a) at the request of the chairman of the policy committee, or
  - (b) at the request of the Board.

### **ALLOTMENT OF MARKET SHARING QUOTAS TO PRODUCERS**

7. (1) The Board shall allot market sharing quotas from the provincial entitlement as agreed to under the comprehensive milk marketing plan to fluid milk producers and industrial producers of milk and cream in accordance with subsections (2) and (3), following.
- (2) A fluid producer
  - (a) who was producing milk prior to the allotment period will be allotted a market sharing quota
    - (i) equal to the pounds of milk marketed in the allotment period less 115 per cent of fluid sales, or
    - (ii) equal to 15 percent of his fluid sales, whichever is the greater, or
  - (b) commencing to produce during or after the allotment period will be allotted a market sharing quota
    - (i) equal to the pounds of milk marketed by the producer pro rated to an annual equivalent less 115 per cent of his fluid sales, or
    - (ii) equal to 15 per cent of his fluid sales, whichever is the greater, or
  - (c) granted a market sharing quota as determined pursuant to (a) or (b) will have the market sharing quota stated as a poundage remaining as



- a constant addition to the 115 per cent of fluid sales, or
- (d) that purchases a dairy farm as a going concern prior to the implementation of the plan and acquires all of the vendor's fluid milk quota shall be allotted a market sharing quota which shall be calculated as if the vendor had not sold his facilities and had continued producing milk.
- (3) When an industrial producer is allotted a fluid milk quota, he will relinquish to the Alberta Reserve a market sharing quota equal to the fluid milk quota allotted, provided always that the producer's market sharing quota will not be less than 15 per cent of his portion of fluid sales.
- (4) An industrial producer of milk or cream
- (a) who was producing milk or cream prior to the allotment period will be allotted a market sharing quota
    - (i) equal to the pounds of milk marketed by him in the allotment period, or
    - (ii) equal to 100 per cent of his Federal Subsidy Eligibility Quota,whichever is the greater, or
  - (b) whose production in the allotment period is
    - (i) in excess of 80 per cent of Commission quota but
    - (ii) is less than 110 per cent of Commission quota may be granted from the Alberta Reserve an additional market sharing quota of not greater than 10 per cent of his current market sharing quota, or
  - (c) shipping less than 420 pounds of butterfat in the allotment period will not be allocated a market sharing quota and will not be subject to the market sharing levies or penalties, or
  - (d) not holding a market sharing quota at the commencement of the plan but upon shipping in excess

of 420 pounds of butterfat in any subsequent dairy year, shall be allotted a 419 pound butterfat market sharing quota and shall be subject to levies and penalties, or

- (e) who commenced to produce milk or cream during or after the allotment period but prior to the commencement of the Alberta Plan a market sharing quota
  - (i) equal to the pounds of milk or cream produced in his first 12 months of production, or
  - (ii) equal to his Federal Subsidy Eligibility Quota, or
  - (iii) equal to an amount calculated by multiplying the number of pounds of milk or cream he actually produced by 12 and dividing the result by the number of months he was marketing, if he has been marketing milk for less than 12 months prior to the commencement of the plan. The provisions of this sub clause will not be effective should the calculation not result in a figure of 420 pounds or greater of butterfat, whichever is the greater, or
- (f) that has been granted a quota pursuant to clause (e) may be granted an additional market sharing quota of not greater than 10 per cent of his current market sharing quota from the Alberta Reserve subject to the same production requirements as set out in subsection (4), clauses (a) and (b), or
- (g) that purchases a dairy farm as a going concern prior to the implementation of the plan and acquires all of the vendor's Federal Subsidy Eligibility Quota shall be allotted market sharing quota which shall be calculated as if the vendor had

not sold his facilities and had continued producing milk or cream.

8. (1) In this section and section 9
- (a) "transfer" refers to the acquisition of a market sharing quota or a Federal Subsidy Eligibility Quota by one producer from another producer,
  - (b) "transferor" refers to a person from whom a market sharing quota or Federal Subsidy Eligibility Quota is being transferred,
  - (c) "transferee" refers to a person to whom a market sharing quota or Federal Subsidy Eligibility Quota is being transferred.
- (2) (a) Where the Commission has re-allocated a Federal Subsidy Eligibility Quota prior to the implementation of the plan, the market sharing quota of the transferee of the Federal Subsidy Eligibility Quota will be based
- (i) on the pounds of milk marketed by both the transferor and transferee during the allotment period, or
  - (ii) the amount of Federal Subsidy Eligibility Quota of the transferee
- whichever is the greater.
- (b) the transferee of the Federal Subsidy Eligibility Quota may be granted an additional market sharing quota of not more than 10 per cent of his current market sharing quota from the Alberta Reserve subject to the same production requirements as set forth in section 7, subsection (4) clauses (a) and (b).

## TRANSFERS OF MARKET SHARING QUOTAS

9. (1) A producer may transfer the market sharing quota in whole or in part to another producer in accordance with the Board's regulations.

- (2) All transfers of market sharing quotas must be approved by the Board.
- (3) All applications for transferring of market sharing quotas must be made by the transferee to the Board on forms supplied by the Board.
- (4) When an application for the transfer of a market sharing quota is approved by the Board in any month, the transfer will become effective the first day of the month following and the transferor's market sharing quota will be accordingly reduced or cancelled on the date that the transfer becomes effective.
- (5) The amount of market sharing quota that is available to a transferee within the dairy year is the same percentage as utilized by the Commission for payment on Federal Subsidy Eligibility Quotas and is calculated as follows:
  - (a) in the months of April to September inclusive, the transferee may acquire and use 10 per cent per month of the transferor's market sharing quota,
  - (b) in the months of October to February inclusive, the transferee may acquire and use 6 per cent per month of the transferor's market sharing quota,
  - (c) in the month of March the transferee may acquire and use 10 per cent of the transferor's market sharing quota.
- (6) The Board will not approve of a transfer of market sharing quota when the amount of the quota being transferred is less than 12,000 pounds of milk at 3.5 per cent of butterfat or 420 pounds of butterfat per dairy year.
- (7) Notwithstanding subsection (6) the Board may approve the transfer of a market sharing quota when the amount of quota being transferred is less than 12,000 pounds of milk at 3.5 per cent of butterfat or 420 pounds of butterfat per dairy year when the total market sharing quota of the transferor is less

than 12,000 pounds of milk at 3.5 per cent butterfat or 420 pounds of butterfat per dairy year.

- (8) Every producer shipping milk or cream that may be eligible for a Federal Subsidy payment by the Commission must retain an equivalent amount of market sharing quota.
- (9) Except by permission of the Board a producer who acquires additional market sharing quota shall not be permitted to transfer a portion of his total market sharing quota during a period of 12 months following the date on which the producer acquired the additional market sharing quota.
- (10) Except by permission of the Board a producer who disposes of all or any portion of his market sharing quota will not be permitted to acquire additional market sharing quota within a 12 month period following the date on which he disposed of the market sharing quota unless the market sharing quota being acquired is accompanied by an equivalent amount of Federal Subsidy Eligibility Quota.
- (11) An industrial milk producer shall not be permitted to transfer any portion of his market sharing quota if such a transfer would leave the producer holding a market sharing quota of less than 100,000 pounds of milk at 3.5 per cent of butterfat or 3,500 pounds of butterfat per dairy year.
- (12) Any industrial milk producer holding a market sharing quota issued pursuant to the plan may make application for a transfer to himself of market sharing quota.
- (13) A transfer from a cream producer of the producer's market sharing quota will not be approved if the transfer would leave the cream producer holding a market sharing quota of less than 420 pounds of butterfat per year.
- (14) Subsection (13) does not affect the minimum requirements established by



the Commission for a cream producer receiving Federal Subsidy Eligibility Quotas.

- (15) Any industrial cream producer holding a market sharing quota issued pursuant to the plan may make application for a transfer to himself of market sharing quota but any cream producer not holding a market sharing quota issued pursuant to the plan shall not make an application for a transfer of market sharing quota to himself unless he makes an application for a transfer to himself of market sharing quota totaling 420 pounds of butterfat per dairy year.
- (16) The provisions of subsection (15) do not affect the minimum requirements established by the Commission for a cream producer receiving a Federal Subsidy Eligibility Quota.
- (17) A producer who transfers from himself a Federal Subsidy Eligibility Quota must also transfer to the transferee an equivalent amount of a market sharing quota.
- (18) A fluid producer who transfers his fluid quota must transfer his total market sharing quota to the transferee. A fluid producer who transfers a portion of his fluid quota must transfer an amount of market sharing quota in a like percentage as to the amount of fluid quota transferred bears to his total fluid quota.
- (19) A fluid producer may not by transfer reduce his market sharing quota below 15 per cent of his fluid sales.

## **MARKET SHARING QUOTA ADJUSTMENTS**

- 10. When changes occur in the Canadian Domestic Market for industrial milk or cream the Board may adjust the producer's market sharing quota in accordance with the comprehensive milk marketing plan.
- 11. The Board may utilize the Alberta Reserve

- (1) when the Board deems it necessary to adjust the allotment of market sharing quota held by producers.
- (2) to allot market sharing quota to a registered non-quota holder when his production exceeds 420 pounds of butterfat per dairy year.

12. (1) A producer who fulfills 75 per cent of his market sharing quota during a dairy year is entitled to the same amount of market sharing quota for the following dairy year.
- (2) Any producer who does not fulfill 75 per cent of his market sharing quota in a dairy year shall have the amount of market sharing quota allotted to him for the following dairy year reduced in the amount by which he did not fulfill 75 per cent of his market sharing quota.
  - (3) The amount of the reduction of quota to a producer as provided for in subsection (2) will become part of the Alberta Reserve.
  - (4) Fluid producers holding a market sharing quota shall exempt an amount not less than 15 per cent of his fluid sales during the allotment period from the provisions of this section.

## **ASSESSMENT AND LEVIES**

13. (1) Each holder of a market sharing quota shall be assessed levies as ordered by the Commission in accordance with the comprehensive milk marketing plan.
- (2) Each producer is assessed by the Board three tenths of a cent per pound of butterfat delivered or one cent per hundredweight for industrial milk delivered.
  - (3) Each processor before making payment to a producer shall deduct from the total amount payable to such producer the amounts levied by the Commission pursuant to Section 13, subsection (2) and shall forthwith pay the amounts so deducted to the Board.

